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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

CD NO.

COUNTRY East Germany

DATE DISTR. 6 October 1952

SUBJECT Financial Difficulties of DHZ-Metall

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1. As of 10 June 1952 the DHZ-Metall, which was taken over by the East German Ministry for Metallurgy and Ore Mining, was in financial difficulties. DHZ-Metall claims (Forderungen) were as follows:

on 31 December 1951	51,640,000 DM
on 31 March 1952	51,204,000 DM
on 30 April 1952	60,900,000 DM

In the spring of 1952 DHZ-Metall sent out about 40 employees to collect outstanding debts, which, as of 31 March 1952, amounted to the following:

Machining/construction plants	28 million DM
SAG's	12 " "
Plants of the Ministry for Metallurgy and Ore Mining	6 " "
Other VEB's	13 " "
Privately-owned plants and associations	2 " "
TOTAL	61 " "

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4. The situation was explained to Nikolai Sebenin, director of the Main Administration of Soviet Property in Germany, who ordered the plants under his jurisdiction to pay. Payments have not been made, or only in part, because these plants are not solvent either. Thus, until the people's economy (volkseigener Wirtschaft) pays its debts to the DIIZ-Metall, DIIZ-Metall cannot meet its obligations to the DIAs.

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